



L. JOYCE HAMPERS  
COMMISSIONER

# *The Commonwealth of Massachusetts*

*Department of Revenue*

*Leverett Saltonstall Building,*

*100 Cambridge Street, Boston 02204*

March 24, 1982

("Carrier") provides common carrier local intracity bus service in the City of ("City"). The Carrier has not obtained a certificate of public convenience and necessity from the Massachusetts Department of Public Utilities ("DPU"), but it does hold such a certificate from the City.

You inquire whether the Carrier is entitled to exemption from sales tax on its purchases of motor buses and related parts, materials and tools under General Laws Chapter 64H, Section 6(aa), which provides that the sales tax does not apply to

"[§]ales of new and used motor buses used to provide scheduled, intracity local service (as defined by the Department of Public Utilities), and repair or replacement parts therefor, and materials and tools used in and for the maintenance and repair thereof to, and for the use of common carriers of passengers by motor vehicle for hire, which hold at least one certificate, issued by the department of public utilities pursuant to the provisions of section seven of chapter one hundred and fifty-nine A"

and requires the Commissioner to prepare and issue to any such duly certified common carrier a statement that the carrier is entitled to exemption pursuant to Section 6(aa).

March 24, 1982

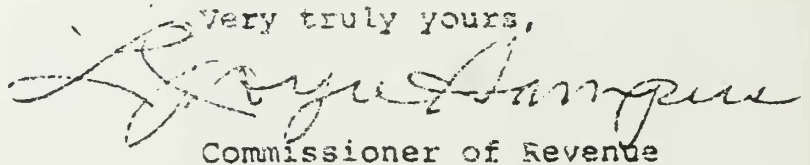
Under Chapter 159A, Section 7, no person may operate under a motor vehicle common carrier's license issued by a local licensing authority unless he also has obtained from the DPU a certificate declaring that public convenience and necessity require such operation; however, Section 11A of Chapter 161A provides that

"[a]ny of the sixty-four cities and towns [which, together with certain other municipalities, comprise the Massachusetts Bay Transportation Authority], may for the purpose of providing local bus service enter into agreements with any person lawfully authorized to operate any motor bus on any public way therein for the carrying of passengers for hire. Said city or town shall have the same powers and duties in respect to such private bus carriers as are provided by law for the department of public utilities, except as to safety of equipment and operations..."

The City is one of the sixty-four cities and towns referred to in Section 11A.

Based on the foregoing, it is ruled that the sales tax does not apply to the Carrier's purchases of motor buses used to provide scheduled, intracity local service under a certificate of public convenience and necessity issued by the City pursuant to Chapter 161A, Section 11A; sales to the Carrier of parts, materials and tools used in and for the maintenance and repair of such buses are likewise exempt.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Royce Langone", is written over the typed name of the Commissioner of Revenue.

Commissioner of Revenue

LJH:JXD:mf

LR 82-28